



MEMORANDUM

OCTOBER 5, 2004

TO: CRWCD BOARD OF DIRECTORS

FROM: JILL C.H. MCCONAUGHY, ASSOCIATE COUNSEL *JCHM*

SUBJECT: BY-LAWS REVISIONS

Pursuant to prior direction by the Board and the Ad Hoc Policy Committee, staff revised the River District's By-Laws as shown on the attached red-lined document and summarized below. In addition, staff recommends one additional change to increase the Board's flexibility to act at special meetings. Any changes to the By-Laws require an affirmative vote of a majority of the entire Board of Directors, *i.e.*, eight votes.

- (1) *Article III, Section 6, Voting* has been revised to add a requirement that any final action on a Board policy must be approved by ten affirmative votes of the Board of Directors. The Ad Hoc Policy Committee suggested this requirement to ensure that any policy adoption, amendment, or deletion is supported by a substantial majority of the Board.
- (2) *Article III, Section 7, Actions at Meetings* has been revised to: (1) allow the Board to amend the agenda at any special meeting, as well as at any regular meeting; and (2) to restrict Board action on any policy to regular meetings and only after the proposed action has been discussed at a prior regular meeting. The first change is suggested by staff as a way to increase the Board's flexibility to act at special meetings. The Ad Hoc Policy Committee suggested the second change in conjunction with the change to Article III, Section 6 to ensure that any policy adoption, amendment, or deletion has been considered and is supported by a substantial majority of the Board.

- (3) *Article V, Section 3(b), Secretary/General Manager* has been revised to delete the paragraph pertaining to the Secretary/General Manager's authority to make contracts and approve expenditures. This deletion is necessary to implement the Financial Governance Policy approved by the Board on July 20, 2004 because it conflicts with the provisions of that Policy.
- (4) *Article V, Section 3(g), Secretary/General Manager* has been revised to add a statement that the Secretary shall have any and all authority delegated to him by any resolution or policy adopted by the Board. This change is suggested by staff in order to clarify that the Board may delegate additional authority to the Secretary/General Manager in policies or resolutions, such as the Financial Governance Policy.